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ILLINOIS COMMERCE COMMISSION

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

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CHIEF CLERK'S OFFICE

NORTH SHORE GAS COMPANY)

Informational statement pursuant to Section)
6-102(d) of the Illinois Public Utilities Act in connection)
with the proposed issuance and sale of up to \$40)
million aggregate principal amount of bonds or)
notes, or a combination thereof, in one or more)
series.)

03-0133

FIFTH REPORT

North Shore Gas Company ("Company") respectfully submits this fifth report, for the period ended March 31, 2004, with respect to the bonds authorized by the order of the Commission entered on March 26, 2003, in the above-entitled Docket No. 03-0133.

On April 29, 2003, the Company issued \$40,000,000 principal amount of its First Mortgage Bonds, Series N-1 to the initial purchasers Banc of America Securities LLC and U.S Bancorp Piper Jaffray Inc., at 99.920% of the principal amount (i.e., \$99.920 per one hundred dollars face amount) for an aggregate consideration of \$39,968,000. The Series N-1 Bonds, which would have matured on May 1, 2013, bear interest at a rate of 4.625% per annum. On October 15, 2003 North Shore Gas completed a registered exchange offer of \$40,000,000 principal amount of 4.625% Series N-2 bonds due May 1, 2013 for all of the outstanding Series N-1 bonds.

The proceeds realized from the issuance of the Series N-1 Bonds have been used to redeem the Company's previously issued \$15,000,000, First Mortgage Bonds, 6.37% Series L and additional short-term indebtedness.

No entity is or became an "affiliated interest" of the Company within the meaning of section 7-101 of the Illinois Public Utilities Act as a result of acquiring the Series N-1 Bonds.

During the period ended March 31, 2004, the Company incurred the following expenses in connection with the issuance and sale of the bonds described in this docket:

	Three Months Ended <u>March 31, 2004</u>	Cumulative Total at <u>March 31, 2004</u>
Series N-2		
-Legal Fees		7,892.78
-Depository Fees		1,500.00
-Exchange Filing Fees		14,930.92
-Accounting Fees		25,000.00
-Rating Fees		43,750.00
-Underwriters Discount Fee		260,000.00
-ICC Fee		50,000.00
-SEC Registration Fee		3,236.00
-Bank Acceptance Fee		1,500.00
Total	<u>\$0.00</u>	<u>\$407,809.70</u>

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

GERARD T. FOX, being first duly sworn, on oath states that he is Vice President of Administration of North Shore Gas Company, that he has read the foregoing report and knows the contents thereof, and that the facts stated therein are true to the best of his knowledge, information and belief.

Gerard T. Fox
Gerard T. Fox

Subscribed and sworn to before me this 27th day of May, 2004

Carol B O'Reilly
Notary Public

My Commission Expires:

March 27, 2006

